Previous references.

Gen. Fin. 7 of 1902
A 3-5.

Later references.

1902.
(Gen. Finance)

572

File No. 8 of 02

Serial Nos. 1 - 7

# GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 1 - 7

Part B. for

SUBJECT.

Charges of transmission of Gold Coin supplied by the Govt of India and the discontinuance of obtaining [illegible] indented

4/7 Requisitions to represent to the Govt of India that Gold Coins are only obtained by the Durbar with a view to familiarize their circulation as desired by the Govt of India and hence that the Durbar may fairly claim exemption from transmission charges

1st 5-2-1902 Do 20 Govt Finance Do —

Enquiries what is the exact significance of the words "and limiting its effect to the extent of its [illegible]

G. R. S. 58

C.S. 006 dy 4.10.02 To — The First Asst Resident
States that the Durbar mean by the words referred
to that they illuse as many Sovereigns as
they get into the Treasury in the ordinary
course of business

4 No 5837 dy 18.10.02 from do —
States that the Durbar in supplying gold Coins to
the public are meeting not imaginary but Real
Requirements and are studing the Convenience
of their own public and Requests that the
matter may receive further Consideration

5 No 7L 1164 dy 2.11.02 To — do —
States that the Govt of India having Reserved
question of Coinage, it is therefore that Govt
that should perform the duties arising
in that Connection and that the Mysore
Govt merely does the work of the Govt
of India

No 254 dy 19.1.04 from — do —
6 States that Special Measures which ~~were~~
was considered desirable to take to
familiarize the Circulation of Gold
Coins were withdrawn by the Govt of India
and that therefore it is open to the
Durbar either to bear the Cost of transmissin
of Gold Coins or discontinue taking them

4 7L 2456 dy 7.3.04 to — do —
informs that the Durbar prefer to
discontinue taking Gold Coins as
they are not prepared to bear the
transmission Charges

# MYSORE DEWAN'S OFFICE.

## REVENUE AND GENERAL DEPTS.

---

## *NOTE.*

*TO THE DEWAN OF MYSORE*
*(FOR ORDERS.)*

Cost of supplying
Coin to Allypore

The last Residency
letter (No. 5281 dt 28 Oct 1901)
conveys the Comptr-
General's opinion that
we should pay the
cost. I do not know
on what arguments
this is founded, but
as submitted in my
last note, we are
doing this business as
agents and I do not
see the justice of
our paying the charge.
Can the Comptr Genl
show any advantage
to the Allypore Govt

2500
Yes - Mean
to submit
a draft
Mem
21.X.01

22/11/01
SS
22/11/01
Gen. Fin. 1 9 1901 A.F.

in return for this outlay?

I would propose that we may request that the question be considered & settled by G. I.

19/11/1901

Rd 20-11-01.
2462

as they are not required to pay any part of the expenses of making the coins. In fact, the Darbar in helping the circulation, are doing the work of the Government of India. They believe that the remedy allowed by the Coinage Act to the Mint agency, the profit on the issue of token coinage and the ~~issue of~~ circulation of paper money issued by the Government of India is chargeable fairly with all the incidental expenses( such as the cost of carriage )of putting the money into effective circulation.

4. In these circumstances, I am to request the favour of your moving the Hon'ble the Resident to obtain kindly the decision of the Government of India for them in this matter.

I have &c.

Secretary.

ish them
ulation
. they
ht us
to
change-
ountry
our h-
coin
il acceptible
e than
we must-
unfort-
ve me
eet the
e Govt
ay we
any any
ir own
the crux of the situation -
the latter
Attorney General's
ceantestable
former M-
n

Threemonths

2/4/02

4640/
The Secretary
Government
Mint
12.IV.02

12/4

The Asst Secy will
kindly give me this
file when I go to the
Treasury

9.9.02

16/4

No. 7417 / Dt. 12-12-01
R.T. 8-01

To

The First Assistant to the Hon'ble
the British Resident in Mysore.

Sir,

With reference to your letter no.5281 dated 28th October 1901, that the cost of remittance of gold coins should, in the opinion of the Comptroller-General, be borne by the Darbar in the same way as in the case of silver coins, I am directed to state as follows, for the ~~of~~ further consideration of the question by the Hon'ble the Resident.

2. The Darbar are not aware on what grounds the opinion of the Comptroller-General is based. Under article 13 of the Instrument of Transfer, and Regulation VII of 1899/ 1900, all coins of the Government of India are declared to be legal tender in the Mysore territories as they are in British India, and all laws and rules applicable to coins current in the former are applicable to them in the latter. Gold sovereigns being at present legal tender in British India, they are received in Mysore also on the same footing, and no difference can be made between gold and silver and copper coins in this respect.

3. On account of their disability to have separate coinage, the Darbar are fairly entitled to the supply of the coins required for circulation within the State without payment of the cost of ~~transit~~ carriage, just as

Draft submitted for approval
11/12/1901
to the Dewan.

Rd 13-12-01.
2724
4593
Many request. Can Council help me with his advice in this matter?
10.12.02

I submit that this draft is rather argumentative. He can with a revised one which I propose to send on the enclosed form which seems to me available to the British Govt. to answer & conclude

Office Draft.

To

The First Assistant to the
Hon'ble the Resident in
Mysore.

Sir,

With reference to your letter No. 5281 dated 28th. Oct. 1901, that the cost of remittance of gold coins should, in the opinion of the Comptroller-General, be borne by the Durbar in the same way as in the case of silver coins, I am directed to state as follows, for the further consideration of the question by the Hon'ble the Resident.

2. The Durbar are not aware on what grounds the opinion of the Comptroller-General is based. Under article 13 of the Instrument of Transfer, and Regulation VII of 1900, all coins of the Govt. of India are declared to be legal tender in the Mysore territories as they are in British India, and all laws and rules applicable to coins current in the former are applicable to them in the latter. Gold soverigns being at present legal tender in British India, they are received in Mysore also in the same footing, and no difference can be made between gold and silver and copper coins in this respect.

Draft submitted for appl.

Intld. H.V.N.
11.12.1901

To the Dewan.

May I request the 2nd. Cr. to help me with his advice in this matter?

Intld. P.N.K.
10.iv.02

I submit that this draft is rather argumentative. Herewith a revised one which proposes to found our request on the only ground which seems to me unassailable. If the British Govt. want us to cooperate with them and assist them in the free circulation of gold coin, they must exempt us from payment of remittance charges. If on the contrary, we are anxious to make gold coin more easily accessible to the Mysore public than at present, we must pay the transport charges. Are we trying to meet the wishes of the Govt. of India, or are we doing anything in our own interest, is the real question? In the latter case, the Comptroller-General's demand is contestable while in the former it is not.

Intld. P.N.K.

Signed. C.Sreenivasiengar.
12.4.02.



3. On account of their disability to have separate coinage, the Durbar are fairly entitled to the supply of the coins required for circulation within the State without payment of the cost of carriage just as they are not required to pay any part of the expenses of making the coins. In fact, the Durbar in helping the circulation, are doing the work of the Govt. of India. They believe that the remedy allowed by the Coinage Act to the Mint agency, the profit on the issue of token coinage and the circulation of paper money issued by the Govt. of India is chargeable fairly with all the incidental expenses (such as the cost of carriage) of putting the money into effective circulation.

4. In these circumstances, I am to request the favor of your moving the Hon'ble the Resident to obtain kindly the decision of the Govt. of India for them in this matter.

I have &ca.

Secretary.

Draft issued
submitted to the Dewan
for information
M
16/10/02

R.D. Inspn
12.10.02
6671

Please see orders on the draft
21/10/02

The meaning of a Phrase was asked
for: and I thought that I had
paraphrased it correctly and that I think
the Dewan's remark in the letter
is to the same effect. I must
however say that as far as I
remember I did not see the
Dewan's remark when I was
using the draft.

22/10/1902

6758
R 22.X.02

7958
Mr. Inspn
Worried with
work
23.X.02

22/10/02

25/10

Sent to Guide Post
23/10/02

OFFICE OF THE DEWAN OF MYSORE,
(REVENUE AND GENERAL DEPARTMENTS).

**(Full Office Note.)**

814.

**Subject.**

Letter No. 5837 dated 18th October 1902 from the First Assistant to the Hon'ble the Resident in Mysore - regarding the cost of the transport of gold coins required ~~for~~ in by the Durbar for circulation -

**Note.**

Consequent on the introduction of gold currency into India on application from the Durbar the Residency obtained for them three consignments of gold coins and wanted the transport charges thereof ~~th~~ to be paid. The Durbar submitted that they must be exempted from the payment of such charges as the application by them for the supply of coins was made to give due effect to the views of the Government of India in the matter of ~~essen~~ active gold circulation within

‡ 1. No. and date of latest letter or paper.
2. Catch words to show nature of subject.
3. Subject to be in red and body of note in black ink.

* 1. Statement of case in narrative form in regular sequence of subject matter or date.
2. Opinions to be stated only as supported by precedents, or general rules which should always be quoted.
3. Serial numbers in file, &c., to be always stated.
4. Dates of important documents referred should be given.
5. Write on both sides, leaving the same side as margin.

the State. The views of the Government of India as conveyed in their circulars regarding the popularizing the use of Gold Coins are quoted below:-

Enclosures in Papers Nos. 1 & 2 of Section B.
1) ( ) No. 712 A & 15-2-00.
2) No 1170 A & 7-3-00.
→ G. 7 & 999-00

"The Govt of India think it very "desirable that means should be "taken to familiarize the public "with the use of Sovereigns, and they "consider that if fairly large quanti-"ties can be simultaneously put "into circulation, much of the reluc-"tance to receive them which may "otherwise be anticipated will rapidly "disappear, and a portion of the "public will be found ready to "receive them and keep them in "circulation. + + + +" It was requested "that as far "as possible all Government payts "which are made in Cash at the "Head office of the Bank may be "disbursed in Sovereigns instead of "in Notes or Silver, so far as multi-"ples of fifteen rupees are concerned. "Though the Govt. do not desire to

"ask the Bank to observe this practice
"as an absolutely unvarying rule,
"they wish to point out that the
"measure now proposed will not
"be really effectual unless it is
"consistently applied in practically
"all cases where rupees are not
"obviously an urgent requirement".

The issue of necessary notifi-
-cation, in pursuance of the
above views of the Government of
India, as requested by the Residency
was delayed pending the passing
of a Regulation on the Subject - This
was done in July 1900.

Before the passing of the Regulation
the Post-master General, Madras,
brought to the notice of the Honble the Resdt.
that a gold coin sent by the sub-Post-master
at Anulbagal was not accepted by
Sub-treasury of the place as
such tender was not authorized.
The Residency referred the matter to
the Durbar and desired that
instructions might be issued

Paper 2 dor 2;

Paper 3 dor 5.

Dr. 2687 dated 30.5.00
261-93 G. F. & P. 99
HS

at once to the Treasury Officers in the State, in anticipation of the final passing of the Coinage Regulation, to accept Sovereigns from the public and officials in Satisfaction of payments due. The Comptroller was accordingly requested to issue the necessary instructions. In compliance with this request the Comptroller and in view to familiarise the use of Gold Coins authorized the issue of Gold coins in payments of Salaries, and to give effect to this requested the Govt to obtain for him the Gold coins and it was at this request the three Consignments as noted on the margin were obtained through the Residency.

~~Papers~~ Sec A No. 3035 & 19.11.00. G.7 5 900 81 1.

1) First Consignment - in Nov 1900 - 2870 Sovs
2) Second do May 1901 - 1,000 "
3) Third do July 1902 - 4000 "

On the application for the 2d Consignment the First Asst to the Hon'ble the Resident asked for what purpose the Gold coins were wanted and whether the Durbar were willing to bear the cost of the remittance from Madras or Bombay. After some correspondence between the Govt and the Comptroller in the matter

~~Papers~~ Sec A No. 2912 & 14.6.01 G.7 7 900-1 81 3

~~Papers~~ Sec A No. 81 & 4.6.00 G.7 8 999 81 4

the Residency was replied that the supply of gold coins asked for by the Durbar was in view to the introduction of gold Coinage into the State by means of disbursing the salaries of officials, and that the question of the Durbar bearing the transmission charges depended upon the view taken by the Honble the Resident in the matter. It was added that the supply of the required coins to the State was a necessary duty correlative of the disability of the State to have its own coins, the supply to the State Huzur Treasury in fulfilment of this purpose should not put the State to an additional burden and that if, however, it was deemed otherwise the Durbar would pay the cost. It was also mentioned that the charges in the 1st Consign-ment amounting to Rs 49-15-5 was paid by the Comptroller at the in-stance of the Accountant Jeneral, Madras. On this, the Residency asked what arrangements were made in force in regard to silver

and Copper coins supplied to the Durbar and was replied that charges in the case of Silver coins were borne by the State, while Copper coins were supplied free of cost of transit and that the reason for the difference in treatment was not apparent and easy to explain and the Subject deserved full consideration.

Paper No. 13. No. 346 & 26-8-04 G.7 7 1900 216

Thereupon the Residency wrote to say that the cost of remittance should in future the opinion of the Comptroller-General, Calcutta, be recovered from the Mysore State in the same way as in the case of Silver coin remittances - To this the Durbar replied that it was to give effect to the views of the Govt of India as already expressed in their letter No. 1170 A dated 7th March 1900 (referred to above), that a supply of Gold coins had to be occasionally indented for by the Mysore Govt, that being so, and the Durbar not being anxious to do, at any extra

Paper No. 1 dated 28-10-01 G.7 7 1900 217

Paper No. 2 dated 12th Sept 1901 G.7 7 1900

cost to themselves anything more than accepting Gold Coin as legal tender which they were bound to do, and limiting its issue from their Treasuries to the extent of its incomings thereat, it was submitted that in case the establishment of an active Gold circulation in Mysore was desired, the Durbar might be exempted from the payment of the cost of its transport from Madras or elsewhere in British India. On this the Residency desired to know the exact significance of the words "and limiting its issue from their Treasuries to the extent of its incomings thereat" and it was replied that by the use of the words the Durbar meant to convey the idea that they would only issue as many Sovereigns as they get into the Treasury in ordinary course of business, without their specially obtaining a supply

Paper ~~No.~~ 22
No 521b dated 20-7-02
H E

Paper No. 23
No 606H & 4-10-02
R 78-01
H E B

from the Mint to meet demands made for such coin from the Public.

~~With~~ In the letter under notice the First Asstt to the Honble the Resident infers from the three applications made for supply of gold coins that there is a great demand for them in the State and that the Durbar indenting for such coins are meeting not imaginary but real requirements so as to suit the convenience of the Public, to promote which in reason must be an object of every Government. He concludes by expressing a hope that the matter will receive further consideration and that the Durbar will bear the cost of the transport.

Paper No 24.

Subs.
H.M. 6/11/02.

It may be noted here that the demand for the gold coins was created with a view to give effect to the wish of the British Govt.

Submitted to the Secretary
H 6/11/02

But the question is which Govt
should bear the charge — the Govt
that Coins the money or the
~~Govt~~ Govt which merely
does the work of distributing the
Coins as agent for the other —
for this in effect is the posi-
tion of ~~the~~ Govt in the
matter. The statement in the Resi-
dency letter is no reply, ~~but~~
~~we~~ and I do not see why
we should agree to bear the Cost.
But I may perhaps be permitted to
state that all the ~~reasons~~ reasons in fa-
vour of our Contention were not
clearly urged in our letter to the Resi-
dency. ~~The~~ Unless it is considered
not out of place to mention the
grounds stated in a draft of 11.12.1901
which was not approved, perhaps we
must Consent to the charge being
thrown on us.

The Dewan.

I am quite of
opinion that it
would be well to
submit a draft by
this mail

6/11/1902

7.XI.02

8317

7064
Ro 6.11.02

Please let me have this with
a Copy of the Indian Coinage
Act.

8/4

Ref
VL 8/11/02

Submitted Sec Act 3 1870

Mbd with a
Copy of the Act

VL
12/11/02

A draft is put up for approval.

14/11/1902

VL 14/11/02

The Dewan.

7231
RD 14.11.02

The above letter was issued to Paper A.
the Residency on 2d Novr 1903 and
in reply the First Assistant to the Honble
the Resident writes that the special
measures the Govt of India wanted to take
to familiarise the public with the use
of Sovereigns having been withdrawn
in June 1901, they do not think it necessary
to continue them any longer or to take
special steps to put the circulation
of them in Mysore. Therefore ~~which~~ city
He drawing attention to para 3 of his Paper B.

letter No. 5837 of 18th October 1903, the first Asst Resident writes that it is open to the Durbar either to discontinue taking gold coins or to pay the cost of their transmission.

The Comptroller has again applied for a supply of 4000 Sovgs & 4000 half-Sovereigns - stating that the demand for the same is very great.

Applies for Rs 5000/- worth of 1/4 anna Copper coins - along with gold coins - will Govt?

Sub[d].
No. 26/1/04.

I think we would be quite justified in charging the cost to those who receive Sovereigns. But as that would probably be considered rather hard & trader-like, we may either forego or decline to supply Gold Coins altogether. The former Course seems to me to be the

preferable one. A draft is submitted for approval.

28/1/04

The Dewan

29/1/04

Submitted this 29th Jan 1904 for approval. Draft letter to the Govt of India, Finance Dept, Calcutta, on the subject of the coinage of gold and copper coins. [illegible] 29/1/04

15523/29.1.04

What will be the cost of coining gold coins — (1) of the present standard (2) of copper coins

1.II.04

Subd.

(1) It has been informally ascertained from the St. Augustine Treasury that the cost will be about 3 pies on every Sovereign — On the previous supplies obtained from the Govt of India, the State Augustine Treasury have made the following payments towards cost —

| | Rs | A | P |
|---|---|---|---|
| Jany 1902 — for 2,000 Sovgns — | 33 | 2 | 6 |
| June 1902 — 4,000 " — | 33 | 3 | 9. |

There has not been any appreciable Differce in the costs, because the same number of guards were sent on both the occasions.

2. Draft Subd.

4/2/4

The Secretary

FM 4/2/04

I should think this is very good. We should see better how to obtain our own coinage

12-2-04

To be re-submitted to the Dewan after issue of the draft about Copper coins. 6/2/04

~~The applr for gold coins~~

The Resy letter No 254 dated 19th Jany 1904 does not appear to require a reply. However a draft reply is put up.

The Comptr may be informed that, in consideration of the British Govts decision in regard to ~~the~~ cost of carriage, it is unnecessary to apply for the gold coins asked for by him —

Subd to the Diwan 29/2/04

29/2/04

12/3/04

16220/2.3.04.

*Submitted to His Highness.*

The enclosed draft to the Residency may be approved - The reasons assigned for the Darbar paying the cost of remitting gold coins to Bangalore from Madras are by no means conclusive - This state is under a disability to have its own coins - It stands reason therefore that it should be supplied with coins required for circulation. Moreover in the case of gold coins under reference it was the particular wish of this Darbar that their circulation should be facilitated The cost incidental to action taken with this Darbar's specific object should be properly borne by that Darbar. The reasoning of the Resident is not easy to understand.

26.X.83

2/

1094 **Record of Case submitted for the orders of His Highness the Maharaja.**

*Subject.*

Draft to Residency on the question of the cost of transport of gold coins required for use in Mysore being borne by the Durbar.

1196

*Order.*

Approved

29/10/03

30.X.03

The J.A. Resident.

Sir,

I am directed to ~~acknowl~~ submit the following observations in reply to your letter No. 5837 d. 18 Oct 1902, requesting that the question of bearing the cost of the transport of the Gold Coins required in Mysore may be reconsidered by the Darbar.

2. The purpose of Notn. No. 712A of 15 Feb 1900 of the G. I. Communicated with your letter of the 9th of March 1900 ~~above~~ seems clearly to have been to advance the circulation of Sovereigns as legal

tender in the Country. In a subsequent letter of the Govt of India Communicated with Your endt No. 1693 / 261-93 d. 6 Apl 1900, it is stated that the G.I. think it very desirable that means should be taken to familiarise the Public with the use of Sovereigns.

3. The Darbar, of Course readily admit that to promote the convenience of the public must be an important object of every government. But the function of Coining the money required for circulation in the Country having been reserved by the Government of India ~~by the Instrument of Transfer~~, they would respectfully point out

that it is that Government that should perform the duties arising in this Connection. The Ellpore Government merely does the work of the Government of India as their agent; and as it has no share in any of the profits of Coinage, such as arises from the circulation of Paper Currency, the exchange rate of Silver Coin being above the market price of bullion, and the circulation of token Coinage, it cannot in fairness be required to bear any of the charges incidental to putting the Coinage into

Circulation

26.X.03

4. It may be observed in this connection, that at present, the demand for Sovereigns is yet confined to what is required either for being melted for jewels, or being hoarded in a convenient form, and not in any case for the purpose of circulation.

5. I am to add in conclusion that the Durbar having stated what they consider to be quite cogent reasons in their favour, would leave the matter entirely in the hands of the Hon'ble the Resident, and accept whatever conclusion should be arrived at.

I have &c

[signature]

Revised Draft.

To

The First Assistant to the

Hon'le the Resident in

Mysore.

Sir,

Adverting to the correspondence ending with your letter No. 5281 dated 28th. Oct. 1901 observing that, in the opinion of the Comptroller-General, the cost of the remittance of gold coins should be borne by the Durbar, I am directed to state that it is to give effect to the views of the Govt. of India as expressed in their letter No. 1170A (Finance and Commerce Deptt - Account and Finance/Mint) dated the 7th. March 1900 a copy of which was forwarded to the Dewan for information with your Memo No. 1693/261-93 dated the 6th. April 1900, that a supply of gold coins has to be occasionl--ly indented for by the Mysore Government. That being so, and the the Durbar not being anxious to do, at any extra cost to themselves anything more than accepting gold coin as legal tender which they are bound to do, and limiting its issue from their Treasuries to the extent of its incomings thereat, I am to submit that in case the establishment of an active gold circulation in Mysore is desired,

the Durbar may fairly ask to be kindly exempted from the payment of the cost of its transport from Madras or elsewhere in British India. The Durbar beg to express the hope that this aspect of the question will commend itself to the Hon'ble the Resident, and the ~~Comptroller-General, Calcutta~~. Govt of India I have &ca.

Secretary.

12/4/02

9.IX.02

6162
2020.9.02

No. 5216 Rec'd 20/9/02

From

~~C. L. S. RUSSELL Esq., I. C. S.,~~

The FIRST ASSISTANT TO THE RESIDENT IN MYSORE.

To

The Dewan of Mysore.

Dated Bangalore, 20 Sept 1902.

Sir,

I am directed to acknowledge the receipt of letter, No.Fl.417/R.F.8-01, dated the 12th September 1902 from the Secretary to the Government of Mysore, Revenue and General Departments, regarding the transmission charges in respect of gold coins required by the Darbar.

2. The Resident will be glad if he can be informed what is the exact significance of the words "and limiting its issue from their Treasuries to the extent of its incomings thereat" occurring in the letter under acknowledgment.

I have the honour to be,

Sir,

Your most obedient servant,

First Assistant Resident.

No. 5837.

FROM

R. C. H. MOSS KING, Esq., I. C. S.,
FIRST ASSISTANT TO THE RESIDENT IN MYSORE.

To

The Dewan of Mysore.

*Dated Bangalore, 18th October* 1902.

SIR,

I am directed to acknowledge the receipt of letter, No.Fl.606-R.F.8-1901, dated the 4th October 1902, from the Secretary to the Government of His Highness the Maharaja of Mysore, General and Revenue Departments, on the subject of the circulation of gold coins in the Mysore State.

2. The Darbar urge that they should be exempted from the cost of the transport of gold coins on the ground, put forward in Mr. Nanjundayya's letter, No.Fl.417-R.F.8-01, dated the 12th September 1902, that it is only in order to give effect to the views of the Government of India as expressed in Finance and Commerce Department letter, No. 1170 A. dated the 7th March 1900, and not because the

Darbar

Darbar are themselves desirous of having a sufficient supply of gold to meet the public demand, that a supply of gold coins has to be occasionally indented for. It appears, however, that three consignments of gold coins as noted on the margin have been received by the Mysore State, and that there is a great demand for gold from the district treasuries.

1st consignment-----2,870 sovereigns.
2nd " -----2,000 "
3rd. " ----4,000 "

vide Mr. Nanjundayya's letter, No. 71-1865, dated the 27th May 1902.

3. It would seem therefore that the Darbar in supplying gold are meeting not imaginary but real requirements and are suiting the convenience of their own public, to promote which in reason must be an object of every Government.

4. The Resident hopes therefore that this matter will receive further consideration and that the Darbar will agree to bear the cost of the transport of the gold required.

I have the honour to be,

Sir,

Your most obedient servant,

First Assistant Resident.

VS.

To. G.780/01/25

The First Assistant Resident.

Sir,

I am directed to submit the following observations in reply to your letter No. 5837 dated 18th October 1902, requesting that the question of bearing the cost of the transport of the gold coins required in Mysore may be reconsidered by the Durbar.

2. The purpose of Notification No. 712 A of 15th February 1900 of the Government of India communicated with your letter of the 9th March 1900 seems clearly to have been to advance the circulation of Sovereigns as legal tender in the country. In a subsequent letter of the Government of India communicated with your endorsement No. 1693/261-93 dated 6th April 1900, it is stated that the Government of India think it very desirable that means should be taken to familiarise the public with the use of Sovereigns.

3. The Durbar of course readily admit that to promote the convenience of their public must be an important object of every Government. But the function of coining the money required for circulation in the country

5

having been reserved by the Government of India, they would respectfully point out that it is that Government that should perform the duties arising in this connection. The Mysore Government merely does the work of the Government of India as their agent; and as it has no share in any of the profits of coinage, such as arise from the circulation of Paper Currency, the exchange rate of silver coin being above the market price of bullion, and the circulation of token coinage, it cannot in fairness be required to bear any of the charges incidental to putting the coinage into circulation.

I have the honor &c.,

31/10/03

Secretary.

Compd
2/11/03.

R. P. B.—12-03.—1,000.

No. 254

FROM

R. C. H. MOSS. KING, Esq., I. C. S.,
FIRST ASSISTANT TO THE RESIDENT IN MYSORE.

To

The Dewan of Mysore.

*Dated Bangalore,* 19th January 1904

SIR,

I am directed to acknowledge the receipt of Mr. Nanjundayya's letter No. F.1164/R.F.8-1901, dated 2nd November 1903 regarding the payment by the Durbar of the cost of remittance of gold coins supplied to them from Treasuries in British India.

2. Briefly, the Durbar have stated that, unless the establishment of an active gold circulation in Mysore is desired in which case they consider that they may fairly claim exemption from the payment of the cost of its transmittance to Mysore, they do not propose to obtain special supplies of gold coin in order to meet demands for such coin from the Public or to do more than accept as legal tender such gold coins as may in the natural course of business find their way into the State.

3. The special measures which it was considered

desirable to take in March 1900 to familiarise the public with the use of soverigns were withdrawn in British India in June 19( and the Government of India do not think it is necessary to continue them any longer or to take special steps to put the circulation of gold coins in Mysore.

4. Therefore, while drawing attention to the remarks contained in paragraph 3 of my letter No.5837, dated 18th October 1902, I am to say that it is open to the Durbar either to discontinue taking gold coins or to pay for the cost of their transmission.

I have the honour to be,

Sir,

Your most obedient servant,

First Assistant Resident.

To

The First Asst to the Hon'ble the Resident in Mysore.

G.J. 8 of 01 Sl.

D

No. 227C 2456

R.F.8 of 1901-02

Date. 7/3/02

Sir,

In reply to your letter No. 254 dated 19. 1. 1904, stating that the Govt of India have withdrawn in March 1901, and do not consider it necessary to take the special measures adopted to familiarise the public with the use of gold coins and that it is open to the Darbar either to discontinue taking gold coins or to pay for the cost of their transmission, I am directed to state that for reasons explained in Mr. Nanjundayya's letter No. Fl 1164 dt. 8. 1901 dt 2. 11. 1903, the Darbar are not prepared to pay the cost of transmission and that they have only to adopt the other alternative, viz to discontinue indenting for ~~taking~~ gold coins.

I have &c

Offg Secretary

P.T.O.

No. Fl. 2457 dt 7/3/04

Memo no.

Copy to the Comptroller, with reference to his letter No. Fl 1100 dt 8.1.04 and with the information that the Residency has been addressed only with regard to copper pieces for Rs 5000/- and that Govt cannot undertake to indent for gold coins unless the cost of transmission of such coins is borne by the British Govt.

By Order

Offg Secretary

3.3.04

4/3/04

Compd 5/3/04